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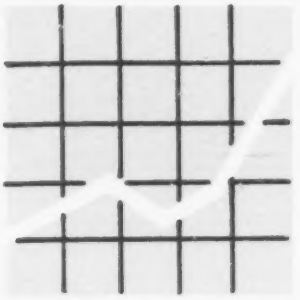

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Joint Venture Laws and Activity in the People's Republic of China

JAMES A. SCHWEIKART

James A. Schweikart is Associate Instructor of International Business and Accounting at Indiana University where he is a doctoral student in International Business.

China's participation in joint ventures with western corporations is a recent development and to this date a rather limited activity. This article explores the changes that caused China to accept foreign direct investment, examines the joint venture law in China, and discusses some of the joint venture effects already experienced. Some conclusions are then drawn regarding the prospects of further joint venture activity in the People's Republic of China (PRC).

THE CONCEPT OF JOINT VENTURES

The term joint venture has been used in many contexts. In essence, the term refers to two or more economic entities pooling their resources for one common economic purpose. Hence, joint ventures can take many forms. A joint venture can occur when one partner contributes the physical and intangible property while the other supplies most of the necessary labor. In another case, a joint venture can occur when both partners share in capital contributions as well as the provision of labor. These two types of joint ventures, of course, do not exhaust the possibilities.

The types of joint ventures of concern when discussing China, however, are those where the western partner contributes capital and technology while China contributes some capital and probably a great deal of labor. That is, the joint ventures of immediate interest are those located on Chinese soil where ownership is shared by the Chinese with western investors. Such an economic entity has only been possible for the last two years, and, in fact, scholars have until recently thought that these kinds of joint ventures were impossible in China. First, they are under traditional communist ideology totally incongruent with theory. Foreign participation in joint ventures would give assent to the right of private ownership. Second, the incompatibility of the two economic and social systems would produce a cleavage in philosophy that might inhibit day to day operations. Thus, experts have offered even as late as the mid-1970s franchises and licenses as the only feasible type of operations within a centrally planned economy (CPE).[1]

Yet, effective July 1979, joint ventures became legally allowed and encouraged in the PRC. China somehow was able to circumvent ideology and reach out

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to the West for economic partnerships. Much of the change in the Chinese attitude toward the West can be explained by President Nixon's visit in 1972 and President Carter's recognition of China over Taiwan. However, China's response is not simply explainable from the cordial treatment by the West.

China is keenly aware of the superiority of western technology which is needed for economic development. Without western technology, quality goods for export cannot be immediately produced, hurting China's ability to earn foreign exchange for development. Most importantly, however, joint ventures while generating foreign exchange and providing employment do so without large scale Chinese investment. This allows China to direct its resources into other projects.[2] Hence, China is able to put aside ideology for the sake of development.

The allegation that China is able to depart from its ideology in favor of economic growth may not on the surface appear to be an important change. However, it is a change that China's socialist rival, the Soviet Union, has to this date not been able to accept. Soviet leader Brezhnev has proclaimed that industrial cooperation agreements are an acceptable means of gaining western technology. However, Soviet ideology has had a history of disdain for joint ventures and, while there is no official legal sanction or ideological sanction prohibiting joint ventures, prospects for them to develop in the U.S.S.R. are dim.[3] Hence, when compared to their Soviet rivals, the Chinese have made a huge change in policy.

THE JOINT VENTURE LAW OF 1979[4]

The July 1979 joint venture legislation of the PRC contains 15 articles attempting to explain the legal and economic requirements of both partners in Chinese joint ventures. The law does address the most pertinent issues; however, only the general aspects of these issues are discussed.

The law provides for protection of foreign investment in China by the Chinese and respect for foreign ownership. This is an issue which other CPEs, including the U.S.S.R., have not been able to accept. Some members of the eastern bloc, for example, are not willing to acknowledge foreign ownership but only willing to provide contracts that guarantee investments which approximate ownership.[5] On the other hand, the Chinese maintain control, since the joint venture must be governed under existing and to-be-developed Chinese law.

The joint venture legislation also requires that foreign partners provide a minimum of 25% of the necessary investment. In fact, there is nothing in the law that prohibits upward to 100% foreign ownership. This is in sharp contrast to equity participation in Latin America that is often limited to 49%. This is evidence that the Chinese are willing to experiment with large amounts of foreign ownership to save their own capital for other purposes. Of course, unlike Latin America, their legal requirements assure China complete control.

The joint venture law favors China in other ways. It requires that priority for raw materials be given to Chinese sources. This helps develop the backward linkages of China. However, forward linkages are not developed as high technology industries which increase exports. In spite of China's deliberate requirement to develop its backward linkages, the Chinese are reasonable about it and accept importing of raw materials, if necessary, due to cost considerations or availability. Another way which China gains from the joint venture law is the requirement that the joint venture have an account with the Bank of China. Again, however, foreign bank activity is not prohibited.

China's awareness that incentives must be provided is also demonstrated in the joint venture legislation. Fair profit sharing according to the proportion of contributed capital is provided, and bars against repatriation of profits in hard currency have been omitted. In addition, the law requires China to provide insurance for operations to joint ventures.

PROBLEMS OF THE JOINT VENTURE LAW

While the Chinese joint venture law can be considered a landmark in Chinese policy, there are serious problems with the law. These problems are probably due to China's inexperience with corporate legislation and are more likely not deliberate obstacles to the creation of joint ventures. Nevertheless, they have slowed progress in joint venture contracts and have acted as deterrents to direct foreign investment in China.

Most of the original problems with the law were due to its lack of specifics. The text of the legislation reads like a preamble, addressing only vague generalities. For example, there is no explanation of the tax laws to which the entity would be subjected nor is there any mention of labor laws that the joint venture would be required to abide by.[6]

The exact method of valuation of both parties' contributions of capital is not detailed. The importance of this procedure lies in the way profits are eventually shared, since proportion of equity ownership is the criterion for determining the amount of profit shared. Furthermore, it is expected that in a socialist nation return on investment would probably be limited. No mention is made in the law of a maximum allowable return for each party in the joint venture.[7]

While the law provides for lengthy contracts, no provison is made for maximum length or procedure for termination of contracts. The Chinese have implied that joint venture contracts between ten and twenty years are probably acceptable but no more detail is given. Even the legal grievance procedure is vague. While the law stipulates that the operations of the joint venture are part of the Chinese jurisdiction, it is vague on the procedure for handling disputes between the western partner and the Chinese government. Furthermore, the specific regulations that govern the joint venture have not been detailed.[8]

Hence, the difficulties of the Chinese joint venture law can be attributed to their lack of legal structure and lack of legislation. Western businessmen are concerned with China's rapid and radical shifts in policy. They are also concerned with the age of China's current leadership and the risk of further change.[9] Thus, a secure and institutionalized legal framework is considered a prerequisite to foreign investment, and China, at the time of the joint venture law, was far from having that.

CHINA'S RESPONSE TO WESTERN CONCERNS

In response to concerns expressed by western investors, China passed a tax law for joint ventures in 1980. The law appears to be congruent with China's objectives of earning foreign exchange and development. Joint venture profits are subject to 30% basic tax with a 10% surtax for the area where the joint venture is located. In addition, there is a 10% tax on profits represented to the western country.[10] This imposes a 43% tax on profits for repatriation, and to a U.S. investor this should not be a deterrent since U.S. taxes approach 50% of income.

In addition, China introduced capitalist tax incentives to attract foreign investment for their internal objectives. Profits reinvested for a period in excess of five years qualify for a tax refund of 40% of the taxes paid on those profits. There are also tax exemptions or holidays for preferred high technology industries as well as reductions for joint ventures operating in remote areas. Some of these reduction holidays last for as long as ten years and reduce taxes between 15% and 30%[11].

China also passed in 1980 a wage and labor law, outlining procedures for wage agreements and dismissal policies.[12] The labor law is similar to many labor laws of Latin America in that it provides protection for workers. Regardless, the law does outline specific labor-management practices required of joint venture.

While these two pieces of legislation are steps in the right direction, they fall far short of what western investors need. So many of the problem areas mentioned have to this date not been addressed. As a result, joint venture activity is taking place but not at an accelerated rate.

JOINT VENTURE EXPERIENCES IN CHINA

The lack of legal structure may not be the only difficulty in attracting joint ventures in China. Joint venture experiences have given credibility to earlier critics' charges that the ideas of the two socioeconomic systems involved are incompatible. One such experience is that of a Hong Kong-based textile firm which supplied the capital for a subsidiary in the PRC. The Hong Kong firm was also to supply the management, while China supplied the labor in a yarn-manufacturing joint venture. Problems arose. Poor quality yarn was produced in quantities far less than anticipated. Since the yarn was for export, it was not competitive and huge sums were lost. The Hong Kong firm blamed uneducated labor with no incentive to improve performance. More importantly, getting corrective action from the Chinese bureaucracy was slow, and the plant was shut down. Eventually, however, the Chinese bureaucracy did take steps to rectify the situation.[13] It is not clear, however, whether this particular case was due to the inexperience of the Chinese and will not recur or if it was unavoidable as the earlier critics maintain.

More recently, China has concluded agreements with two hotel groups and a restaurant catering service for its national airline. One of the hotel groups is a U.S. affiliate.[14] While it is too early to evaluate the success of these joint ventures, it should be noted that all of them are related to tourism which generates foreign exchange. Once again, the Chinese have directed their joint venture efforts at their own goals. In addition, China is now trying to lure oil development countries, including Exxon and Shell, to extract oil in its remote areas. At present, China is having little success in concluding the agreements because of the cost and risk to the western investors.[15] However, this effort further attests to China's rationalization of joint ventures. The oil is intended for export to earn foreign exchange.

OUTLOOK FOR THE FUTURE

Clearly, the legal framework in China must be matured at an accelerated rate. China recognizes this and has promised more legislation in the future. However, it is also clear that China's goals must be congruent with the goals of western firms to prevent recurrence of experiences similar to the Hong Kong yarn firm. In addition, China has a very conservative approach to international financial agreements. As such, China is now primarily interested in small joint ventures to see how well they work out. Western firms regard joint ventures as a major undertaking and are not interested in being part of an experiment.[16] Accordingly, China must pass through this phase, as well.

Thus, joint ventures are in their embryonic stage in China which is still quite an accomplishment when compared to the Soviet Union. Yet, some major obstacles must be cleared for joint ventures to flourish. As such, the groundwork has been accomplished and many western firms are now getting involved, but large scale joint ventures in China are still a long way off.

Notes

[1]Robert Kretschmar, "The Potential for Joint Ventures in China," *Doing Business with China: American Trade Opportunities in the 1970's*, William Whitson, (ed.), (London: Praeger, 1974), p. 401.

[2]Ernst & Whinney, International Focus, New York (October, 1979).

[3]Dietrich A. Loeber, "Foreign Participation in Soviet Enterprises?," D.P.C.I., (June, 1980), p. 215 and p. 245.

[4]Ernst & Whinney, October, 1979 (as explained).

[5]Loeber, *op. cit.*, pp. 232-245 (see discussion on Rumania and Yugoslavia).

[6]F. Ching, *Wall Street Journal*, February 19, 1980.

[7]James R. Silkenat, "China's New Joint Venture Law," *Business Week*, February 25, 1980, p. 12 and p. 16.

[8]Ernst & Whinney, International Series, New York (1980), p. 4.

[9]Silkenat, *op cit.*, pp. 14 and 16.

[10]Ernst & Whinney, International Focus, New York (November 1980), p. 1.

[11]Ibid., p. 1.

[12]China Foreign Trade, "Regulations on Labour Management in Joint Ventures Using Chinese and Foreign Investment," suppl. to vol. 6, 1980, pp. 12-13.

[13]F. Ching, *Wall Street Journal*, December 11, 1980, p. 29.

[14]F. Ching, *Wall Street Journal*, April 23, 1980.

[15]B. Kramer, *Wall Street Journal*, February 22, 1980, p. 40.

[16]F. Ching, *Wall Street Journal*, February 19, 1980.

COLORADO BUSINESS INDICATORS
(Figures in Thousands Unless Otherwise Indicated)

	September 1981	August 1981	September 1980	Percent Change September 1981 from August 1981	Percent Change September 1981 from September 1980
Total Civilian Labor Force (by place of residence)[a]	1,490.0	1,491.7	1,467.2	−0.1	1.6
Unemployment	50.4	50.4	50.1	0.0	1.6
Unemployment Rate (percent)	3.4	3.4	3.4	—	—
Employment	1,439.6	1,441.3	1,417.1	−0.1	1.6
Nonagricultural Wage and Salary	1,280.6	1,279.1	1,258.5	0.1	1.8
Agricultural	48.5	48.5	49.1	0.0	−1.2
Self-employed, unpaid family and domestics	110.5	113.7	109.5	'2.8	0.9
Total Nonagricultural Wage and Salary Employment (by place of work)[a]	1,278.6	1,275.3	1,256.5	0.3	1.8
Mining	37.8	38.1	35.4	−0.8	6.8
Metallic Minerals	11.2	11.6	11.7	−3.4	−4.3
Bituminous Coal, Lignite and Nonmetallic	5.7	5.8	5.9	−1.7	−3.4
Oil and Gas Extraction	20.9	20.8	17.8	0.5	17.4
Contract Construction	78.7	78.6	80.5	0.1	−5.4
Manufacturing	187.1	187.3	181.9	−0.1	2.9
Lumber, Wood Products and Furniture	8.1	8.0	7.7	1.3	5.2
Stone, Clay, Glass and Concrete Products	11.5	11.5	11.5	0.0	0.0
Primary and Fabricated Metals	19.4	19.5	19.6	−0.5	−1.0
Machinery, Except Electrical	27.4	26.8	25.1	2.2	9.2
Electric and Electronic Equipment	14.7	14.9	15.1	−1.3	−2.6
Transportation Equipment	14.5	14.5	12.0	0.0	20.8
Other Durable Goods	26.5	26.8	26.1	−1.1	1.5
Food and Kindred Products	24.4	25.1	25.0	−2.8	−2.4
Textiles and Apparel	3.6	3.7	3.6	−2.7	0.0
Paper and Allied Products	2.1	2.2	2.1	−4.5	0.0
Printing and Publishing	16.8	16.6	16.0	1.2	5.0
Chemicals and Allied Products	7.0	6.9	6.4	1.5	9.4
Other Nondurable Goods	11.1	11.0	11.6	0.9	−4.3
Finance, Insurance and Real Estate	80.0	80.5	77.0	−0.6	3.9
Banking	19.8	19.9	19.4	−0.5	2.1
Credit Agencies Other than Banks	12.9	12.9	12.2	0.0	5.7
Insurance Carriers, Agents and Brokers	20.3	20.3	19.7	0.0	3.1
Real Estate and Combination Offices	21.1	21.6	20.6	−2.3	2.4
Other Finance, Insurance and Real Estate	5.9	5.9	5.0	0.0	18.0
Transportation and Public Utilities	83.5	83.7	80.8	−0.2	3.3
Railroad Transportation	7.6	7.7	7.6	−1.3	0.0
Trucking and Warehousing	17.5	17.4	16.9	0.6	3.6
Air Transportation	13.8	14.0	13.8	−1.4	0.0
Other Transportation	6.7	6.7	6.3	0.0	6.4
Communications, Electric, Gas and Sanitary Services	37.9	37.9	36.2	0.0	4.7
Trade	313.3	313.9	307.5	−0.2	1.9
Wholesale Trade	77.2	77.1	75.0	0.1	2.9
Retail Trade	236.1	236.8	232.5	−0.3	1.6
Services	261.8	265.8	254.9	−1.5	2.7
Lodging and Combination Lodging/Eating Places	25.0	26.6	23.8	−6.0	5.0
Personal Services	12.8	12.8	12.7	0.0	0.8
Business Services	47.6	47.6	47.1	0.0	1.1
Auto and Miscellaneous Repair Services	14.6	14.6	14.1	0.0	3.6
Amusements and Recreation	14.6	16.7	14.7	−12.6	−0.7
Health Services	66.9	66.7	65.7	0.3	1.8
Educational Services	8.9	8.2	8.4	8.5	6.0
Membership Organizations	20.5	20.9	20.7	−1.9	−1.0
Other Services	50.9	51.6	47.7	−1.4	6.7
Government	236.5	227.3	238.6	4.1	−0.9
Federal	50.6	51.7	52.2	−2.1	−3.1
State	56.2	51.4	56.8	9.3	−1.1
Local	129.7	124.2	129.6	4.4	0.1

	Sept. 1981	August 1981	Sept. 1980	Percent Change September 1981 from August 1981	Sept. 1980
Average Weekly Hours					
Construction	36.0	36.8	37.3	−2.2	−3.5
Manufacturing	39.6	39.9	39.1	−0.8	1.3
Nondurable Goods	38.5	38.9	38.9	−1.0	−1.0
Durable Goods	40.2	40.6	39.2	−1.0	2.6
Average Weekly Earnings ($)					
Construction	423.00	427.62	403.96	−1.1	2.6
Manufacturing	328.28	328.78	303.81	−0.2	8.1
Nondurable Goods	303.76	305.36	291.36	−0.5	4.3
Durable Goods	342.91	343.48	310.86	−0.2	10.3
Initial Unemployment Claims (000)	11.3	10.8	12.7	4.6	−11.0
Bankruptcies, All Types (number)	489	451	551	8.4	−11.3
Total State Revenue ($000)	421,821	309,980	533,044	36.1	−20.9
Total State Expenditures ($000)	350,973	281,382	363,200	24.7	−3.4
Crude Oil Production (thous. bbls.)	2,550	2,495r	2,430r	2.2	4.9
Dry Gas Production (mil. cu. ft.)	11,044	10,500r	10,837r	5.2	1.9
Coal Production (thous. tons)	1,771.3	1,652.1	1,675.2r	7.2	5.7
New Oil and Gas Wells (number)	201	194	151	3.6	33.1
Natural Gas Used (bil. cu. ft.)	8.7	9.9	10.2	−12.1	−14.7
Electrical Power Sales (mil. kwh)					
Residential	450.1	458.5r	439.7r	−1.8	2.4
Nonresidential	1,136.9	1,223.5r	1,120.2r	−7.1	1.5
New Construction, 50 cities					
Residential permits (number)	721*	792*	1,677	−9.0	−57.0
Residential value ($000)	53,565*	45,097	91,962	18.8	−41.8
Nonresidential permits (number)	128*	141	117	−9.2	9.4
Nonresidential value ($000)	160,040*	74,441	60,433	115.0	164.8
Highway Contractor Payments ($000)	14,681	12,197	21,979	20.4	−33.2
Ordinary Life Insurance Sales ($000)	663,103	584,588	550,611r	13.4	20.4
Bank Deposits, 116 cities, 248 of 323 banks					
Total Deposits ($000,000)	12,772*	13,133r	11,901	−2.7	7.3
Savings and Loan Net New Savings ($000)	91,400	8,100	85,000r	1,028.4	7.5
National Park Visits—9 Areas (000)	807.2	1,230.9	745.4r	−34.4	8.3
Motor Vehicle Title Applications (000)	87.4	85.2	73.7	2.6	18.6
Highway Vehicle Traffic Counts at Border Stations (daily average)	43,186	54,404	39,833	−20.6	8.4
Air Passengers, Stapleton (000)[b]	1,846	2,162	1,619r	−14.6	14.0
Air Freight and Air Express, Stapleton (thous. lbs.)	28,463	24,061	23,590	18.3	20.7
Prices Received by Farmers ($)					
Beef Cattle (per cwt)	63.20	63.70	67.00	−0.8	−5.7
Lambs (per cwt)	50.60	61.10	70.30	−17.2	−28.0
Wheat (per bu.)	3.54	3.43	3.61	3.2	−1.9
Corn (per bu.)	3.12	3.24	2.77r	−3.7	12.6
Potatoes (per cwt)	5.00	10.00	5.40r	−50.0	−7.4
Wool (per lb.)	.91	.91	.89r	0.0	2.3

NOTES: An asterisk (*) indicates preliminary data subject to revision. Revised data are marked (r).
n.r.—not reported.

[a]Employment figures have been updated to a March 1980 benchmark and are arranged by 1972 Standard Industrial Classifications (SIC). Previously reported data were on a March 1979 benchmark. Thus, these data are not comparable to that published prior.

[b]Includes scheduled airlines, commuter airlines and charter passengers.

Employment, Hours, and Earnings data from Colorado Department of Labor and Employment.

Bankruptcies from the Office of the Federal Referee in Bankruptcy.

State Revenue and Expenditures from the State Controller's Office.

Crude Oil Production, Dry Gas Production and New Oil and Gas Wells from the Oil and Gas Conservation Commission.

Coal Production from Colorado State Coal Mine Inspection Department.

Natural Gas Used from Colorado Interstate Gas Company.

Electrical Power Sales from individual companies.

New Construction from individual cities.

Highway Contractor Payments from the Colorado Highway Department.

Life Insurance Sales from the Life Insurance Marketing and Research Association, Inc.

Bank Deposits from individual banks.

Savings and Loan Net New Savings from Federal Home Loan Bank of Topeka.

National Park Visits from individual areas.

Highway Traffic counts from Colorado Highway Department.

Air Passengers, Freight, and Express from Stapleton International Airport Business Office.

Prices Received by Farmers from U.S. Department of Agriculture.

LOCAL BUSINESS CONDITIONS
(All Figures in Thousands)

	Sept. 1981	August 1981	Sept. 1980
ALAMOSA (1980 pop. 6,830)			
Electric Power (kwh)	2,878	2,829	2,919
Constr. ($)—Res.	118	0	78
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	46,994		45,175
ARVADA (1980 pop. 84,576)			
Electric Power (kwh)	28,478	26,352	27,509
Constr. ($)—Res.	1,046	1,632	1,309
—Nonres.	395	2,811	97
Deposits ($) (3 of 6 banks)	76,177	76,313	72,714
ASPEN (1980 pop. 3,678)			
Electric Power (kwh)	3,462	2,915	2,158
Constr. ($)—Res.	288	367	0
—Nonres.	603	0	0
Deposits ($) (1 of 3 banks)	37,021	38,587	40,740
AURORA (1980 pop. 158,588)			
Electric Power (kwh)	78,780	81,457	73,974
Constr. ($)—Res.	9,384	9,260	23,014
—Nonres.	4,221	1,433	8,967
Deposits ($) (4 of 10 banks)	134,965	130,258	111,824
BOULDER (1980 pop. 76,685)			
Electric Power (kwh)	47,485	52,333	50,209
Constr. ($)—Res.	1,159	2,541	1,668
—Nonres.	1,000	7,088	978
Deposits ($) (7 of 8 banks)	415,867	440,903	392,914
BRIGHTON (1980 pop. 12,773)			
Electric Power (kwh)	4,733	4,840	4,714
Constr. ($)—Res.	493	0	191
—Nonres.	37	242	0
Deposits ($) (2 of 2 banks)	53,444	51,833	47,083
BROOMFIELD (1980 pop. 20,730)			
Electric Power (kwh)	6,646	9,963	9,486
Constr. ($)—Res.	231	125	2,912
—Nonres.	1,500	453	251
Deposits ($) (2 of 2 banks)	44,009	44,768	40,774
BRUSH (1980 pop. 4,082)[a]			
Electric Power (kwh)	2,005	2,070	1,969
Deposits ($) (2 of 2 banks)	47,209	47,553	52,948
CANON CITY (1980 pop. 13,037)			
Electric Power (kwh)	24,080	23,810	22,018
Constr. ($)—Res.	250	112	123
—Nonres.	0	80	0
Deposits ($) (3 of 3 banks)	93,081	93,379	83,803
COLORADO SPRINGS (1980 pop. 215,150)			
Electric Power (kwh)	151,353	158,732	146,921
Constr. ($)—Res.[b]	11,290	8,470	12,891
—Nonres.	10,328	5,279	14,499
Deposits ($) (15 of 18 banks)	828,354	824,374	780,533
COMMERCE CITY (1980 pop. 16,234)			
Electric Power (kwh)	25,439	24,626	19,871
Constr. ($)—Res.	214	0	206
—Nonres.	790	492	0
Deposits ($) (1 of 1 banks)	24,892	25,608	24,503
CORTEZ (1980 pop. 7,095)			
Electric Power (kwh)	3,553	3,377	3,287
Constr. ($)—Res.	60	790	242
—Nonres.	43	133	1,204
Deposits ($) (2 of 3 banks)	49,263	49,330	49,899

	Sept. 1981	August 1981	Sept. 1980
CRAIG (1980 pop. 8,133)			
Electric Power (kwh)	4,941	4,899	4,546
Constr. ($)—Res.	0	0	433
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	71,975	74,722	58,862
DENVER (1980 pop. 491,396)			
Electric Power (kwh)	337,589	356,545	340,931
Constr. ($)—Res.	13,356	5,075	18,247
—Nonres.	105,875	42,198	3,062
Deposits ($) (31 of 35 banks)	5,798,046	6,111,320	5,401,089
DURANGO (1980 pop. 11,426)			
Electric Power (kwh)	5,287	6,445	5,934
Constr. ($)—Res.	32	64	170
—Nonres.	498	0	15
Deposits ($) (3 of 3 banks)	108,471	109,138	97,786
ENGLEWOOD (1980 pop. 30,021)			
Electric Power (kwh)	19,872	26,457	21,055
Constr. ($)—Res.	5	101	130
—Nonres.	466	477	0
Deposits ($) (5 of 8 banks)	317,744	325,490	284,783
ESTES PARK (1980 pop. 2,703)			
Electric Power (kwh)	4,618	5,133	4,329
Constr. ($)—Res.	104	269	206
—Nonres.	88	615	0
Deposits ($) (2 of 2 banks)	35,153	38,197	34,092
FORT COLLINS (1980 pop. 64,632)			
Electric Power (kwh)	37,386	40,663	36,042
Constr. ($)—Res.	521	1,692	7,007
—Nonres.	0	1,021	4,683
Deposits ($) (8 of 8 banks)	353,228	347,339	336,349
FORT MORGAN (1980 pop. 8,768)			
Electric Power (kwh)	6,734	6,973	7,013
Constr. ($)—Res.	26	0	370
—Nonres.	40	0	0
Deposits ($) (2 of 2 banks)	81,289	81,731	77,711
GLENWOOD SPRINGS (1980 pop. 4,637)			
Electric Power (kwh)	4,130	4,919	3,979
Constr. ($)—Res.	243	129	531r
—Nonres.	0	0	264
Deposits ($) (2 of 3 banks)	105,025	101,753	89,799
GOLDEN (1980 pop. 12,237)			
Electric Power (kwh)	6,055	5,906	5,788
Constr. ($)—Res.	0	201	0
—Nonres.	366	0	0
Deposits ($) (2 of 3 banks)	114,503	119,917	105,497
GRAND JUNCTION (1980 pop. 28,144)			
Electric Power (kwh)	20,012	20,213	17,738
Constr. ($)—Res.	1,449	754	794
—Nonres.	1,427	620	596
Deposits ($) (5 of 5 banks)	338,010	342,599	293,221
GREELEY (1980 pop. 53,006)			
Electric Power (kwh)	23,425	24,632	22,530
Constr. ($)—Res.	825	414	1,701
—Nonres.	2,722	0	269
Deposits ($) (7 of 8 banks)	399,543	376,583	354,393
GUNNISON (1980 pop. 5,785)			
Electric Power (kwh)	2,935	2,748	3,062
Constr. ($)—Res.	0	45	0
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	43,555	41,937	43,220

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LOCAL BUSINESS CONDITIONS—Continued

	Sept. 1981	August 1981	Sept. 1980
LA JUNTA (1980 pop. 8,338)			
Electric Power (kwh)	4,644	5,086	4,861
Constr. ($)—Res.	64	113	43
—Nonres.	105	0	183
Deposits ($) (2 of 2 banks)	45,009	44,641	41,691
LAKEWOOD (1980 pop. 112,848)			
Electric Power (kwh)	55,058	52,965	55,546
Constr. ($)—Res.	6,724	5,667	7,466
—Nonres.	18,213	2,641	386
Deposits ($) (6 of 8 banks)	381,082	384,279	361,543
LAMAR (1980 pop. 7,713)			
Electric Power (kwh)	6,976	8,281	7,404
Constr. ($)—Res.	0	189	67
—Nonres.	36	5	0
Deposits ($) (2 of 2 banks)	57,078	57,201	51,866
LITTLETON (1980 pop. 28,631)			
Electric Power (kwh)	17,383	16,687	17,334
Constr. ($)—Res.	n.r.	n.r.	2,201
—Nonres.	n.r.	n.r.	666
Deposits ($) (3 of 4 banks)	153,273	159,629	158,052
LONGMONT (1980 pop. 42,942)			
Electric Power (kwh)	19,363	20,618	18,968
Constr. ($)—Res.	413	524	824
—Nonres.	110	165	130
Deposits ($) (5 of 5 banks)	162,587	160,418	158,804
LOVELAND (1980 pop. 30,244)			
Electric Power (kwh)	19,445	16,713	15,594
Constr. ($)—Res.	128	597	773
—Nonres.	65	0	207
Deposits ($) (4 of 4 banks)	115,719	119,521	113,828
MANITOU SPRINGS (1980 pop. 4,475)[c]			
Electric Power (kwh)	1,384	1,456	1,373
Deposits ($) (1 of 1 banks)	11,092	11,776	11,017
MONTROSE (1980 pop. 8,722)[d]			
Constr. ($)—Res.	337	146	205
—Nonres.	3,244	0	193
Deposits ($) (2 of 3 banks)	89,513	90,294	77,595
NORTHGLENN (1980 pop. 29,847)			
Electric Power (kwh)	11,097	12,074	10,979
Constr. ($)—Res.	568	0	0
—Nonres.	8	547	0
Deposits ($) (2 of 2 banks)	53,848	57,052	53,152
PUEBLO (1980 pop. 101,686)			
Electric Power (kwh)	51,160	55,014	54,370
Constr. ($)—Res.	832	653	595
—Nonres.	115	309	0
Deposits ($) (8 of 10 banks)	336,481	342,066	329,310
ROCKY FORD (1980 pop. 4,804)			
Electric Power (kwh)	5,771	6,946	6,586
Constr. ($)—Res.	0	0	0
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	18,936	19,090	17,684
SALIDA (1980 pop. 4,870)			
Electric Power (kwh)	1,598	1,557	1,454
Constr. ($)—Res.	0	116	130
—Nonres.	52	24	0
Deposits ($) (2 of 2 banks)	39,279	40,170	34,564
STERLING (1980 pop. 11,385)			
Electric Power (kwh)	6,223	6,735	6,588
Constr. ($)—Res.	100	0	935
—Nonres.	0	0	0
Deposits ($) (3 of 3 banks)	123,846	21,547	119,021
THORNTON (1980 pop. 40,343)			
Electric Power (kwh)	15,784	15,732	15,043
Constr. ($)—Res.	1,220	2,353	926
—Nonres.	2,021	0	170
Deposits ($) (1 of 1 bank)	20,540	21,494	21,099
TRINIDAD (1980 pop. 9,663)			
Electric Power (kwh)	2,911	2,598	3,026
Constr. ($)—Res.	62	0	115
—Nonres.	0	84	0
Deposits ($) (2 of 2 banks)	50,999	50,314	43,596
WALSENBURG (1980 pop. 3,945)			
Electric Power (kwh)	1,152	987	1,128
Constr. ($)—Res.	0	0	0
—Nonres.	30	40	54
Deposits ($) (1 of 1 bank)	19,701	19,329	18,174
WESTMINSTER (1980 pop. 50,211)			
Electric Power (kwh)	20,581	20,496	20,447
Constr. ($)—Res.	1,411	1,826	4,091
—Nonres.	0	6,784	325
Deposits ($) (2 of 2 banks)	81,801	80,366	72,894
WHEAT RIDGE (1980 pop. 30,293)			
Electric Power (kwh)	22,158	21,187	22,274
Constr.($)—Res.	117	0	343
—Nonres.	5,431	448	0
Deposits ($) (2 of 2 banks)	60,412	62,026	58,925

[a]Construction figures are not available.
[b]Regional figures.
[c]Included in Colorado Springs regional construction figures.
[d]Electric Power consumption figures are not available.

NOTES: Population figures are 1980 census counts.
Construction figures are valuation of new residential and nonresidential construction only.
Deposit figures are total deposits in commercial banks as of last day of month.
n.r.—not reported
*—preliminary data
r—revised data.

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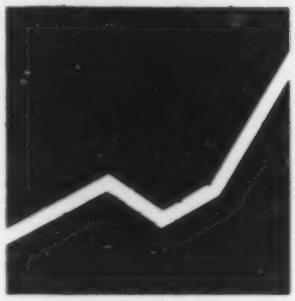

Colorado Business Review

BUSINESS RESEARCH DIVISION • GRADUATE SCHOOL OF BUSINESS ADMINISTRATION • UNIVERSITY OF COLORADO

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Volume LV, Number 2, February 1982

Travel Contributes $3.3 Billion to Colorado in 1980

United States travelers spent $3.3 billion in Colorado during 1980, according to a private study conducted by the U.S. Travel Data Center in Washington, D.C. The study, commissioned by the Denver and Colorado Convention and Visitors Bureau, differs from previous travel spending studies in that it reflects all forms of travel to and within Colorado, rather than just vacation and leisure travel. For the purposes of the study, travel was defined as any trip away from home requiring an overnight stay, or any day trip to places 100 miles or more away from the traveler's origin.

METHODOLOGY

The study was produced by the U.S. Travel Data Center using the County Travel Economic Impact Model, an extension of the Travel Economic Impact Model initially developed in 1975 for the U.S. Department of Interior. The model has been revised over the years to incorporate new information on travel expenditures and their effects on state and local economies. Due to insufficient information, expenditures by foreign travelers in Colorado is not included in the study.

EXPENDITURES

During 1980, U.S. travelers spent $3.3 billion in Colorado, including $731 million for public transportation; $605 million for auto transportation; $543 million for lodging; $861 million for food service; $349 million for entertainment and recreation; and $255 million for incidentals, for an average of $53.1 million per county. Denver County, including the city of Denver, ranked first in travel expenditures with more than $1.5 billion, approximately 46% of the state total. El Paso County, including Colorado Springs, ranked a distant second with nearly $234 million in travel spending, nearly 7.0% of the state total. Eagle County, including Vail, garnered $186 million to rank third, followed by Pitkin County, including Aspen, with $140 million.

A total of eight counties attracted more than $75 million in travel expenditures during 1980. Another seven counties garnered between $50 million and $75 million, while 17 more counties indicated more than $10 million but less than $50 million. Only six counties garnered less than $1 million, with Crowley County last in this regard with $128,000.

PAYROLL

Travel expenditures become business receipts which are in turn used to purchase the goods and services (including labor) needed to serve the traveler. In 1980, the wage and salary (payroll) income paid to employees directly serving the traveler was $761.8 million, for an average of $12 million per county. Denver County ranked first with nearly $373 million in travel-generated payroll, accounting for about 49% of the state total. El Paso County ranked second with over $52 million, followed by Eagle County with nearly $40 million in travel-generated payroll.

In all, 15 counties indicated a payroll attributable

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to travel spending in excess of $10 million. Another two counties posted a travel-generated payroll of more than $5 million but less than $10 million. Only 12 counties indicated less than $500,000 in travel-generated payroll. Two of these counties, Elbert and Crowley, showed less than $50,000 in payroll generated by travel activity.

JOBS

The study also reports that travel expenditures in Colorado supported 101,134 jobs, roughly 8% of all nonagricultural payroll employment in the state, for a county average of 1,600. Denver County indicated more travel-generated jobs than any other county with nearly 40,000. El Paso County ranked second with almost 7,700 jobs attributable to travel, followed by Eagle County with more than 6,500 jobs.

A total of 16 counties showed more than 1,000 travel-generated jobs, while another 12 counties indicated between 500 and 1,000 jobs. At the other end of the scale, 10 counties posted between 10 and 100 jobs attributable to travel, while three counties indicated less than 10 travel-generated jobs.

STATE AND LOCAL TAX REVENUES

Travelers directly generated $104 million in tax revenue for the state treasury through state income, sales, and excise taxes, the report indicates. This comprised approximately 7% of all state revenue for fiscal 1980.

State tax revenue generated by travel averaged $1.7 million per county in Colorado during 1980. Denver County led all others with $38.6 million in state tax revenue, followed by El Paso County with $8.2 million. Eagle County ranked third with $7.1 million in state tax revenue attributable to travel spending. One other county, Pitkin, showed more than $5 million in travel-generated state tax revenue.

In all, 16 counties indicated more than $1 million in state revenue generated by travel spending, while 12 more counties posted amounts between $500,000 and $1 million. Only 10 counties showed less than $50,000 in travel-generated state tax revenue.

Travel spending also generated local tax revenue in Colorado. The actual amount in a county depends on the characteristics of spending in the county and the local tax structure. Local governments in Colorado generated an additional $67 million in local sales and property tax revenue from travelers. This is approximately 5.2% of local tax receipts from all sources.

Colorado counties averaged over $1 million in local tax revenue generated by travel. Denver County ranked first with over $31 million. El Paso County ranked second with $4.4 million in local tax revenue attributable to travel spending, followed by Eagle County with nearly $4.2 million.

A total of 14 counties showed more than $1 million in travel-generated local tax revenue, while one more county indicated between $500,000 and $1 million. At the other end of the scale, only seven counties posted less than $10,000 in local tax revenue generated by travel.

The report reveals that travel contributed $264 to the personal income of each Colorado resident. If there was no travel industry in Colorado, the average state tax bill would have to be increased $98 per family, and local governments would have to raise taxes $63 per family to maintain the same level of public services.

Table 1 provides details on the impact of travel on Colorado counties for 1980.

TABLE 1
IMPACT OF TRAVEL ON COLORADO COUNTIES, 1980

	Total Travel Expenditures (Thousands)	Travel-Generated Payroll (Thousands)	Travel-Generated Employment (Jobs)	State Tax Receipts (Thousands)	Local Tax Receipts (Thousands)
Adams	$ 50,632	$ 10,799	1,649	$ 1,915	$ 964
Alamosa	12,097	2,592	425	463	238
Arapahoe	94,475	21,277	3,039	3,328	2,121
Archuleta	14,937	3,195	529	578	205
Baca	1,878	389	63	70	28
Bent	3,191	677	111	123	44
Boulder	70,819	16,683	2,500	2,569	1,407
Chaffee	17,672	3,648	595	635	255
Cheyenne	720	152	25	28	5
Clear Creek	10,448	2,170	351	368	276
Conejos	3,603	740	119	125	41
Costilla	285	56	9	9	4
Crowley	128	25	4	5	1
Custer	1,206	217	31	27	14
Delta	8,028	1,641	261	278	157
Denver	1,543,413	373,095	39,923	38,586	31,338
Dolores	564	96	13	10	5
Douglas	2,075	740	95	68	31
Eagle	185,623	39,729	6,552	7,078	4,175
El Paso	233,874	52,211	7,696	8,209	4,428
Elbert	178	35	6	6	1
Fremont	21,669	4,557	745	797	382
Garfield	60,875	12,908	2,113	2,292	1,092
Gilpin	1,346	276	44	46	27
Grand	53,882	11,322	1,780	1,756	1,006

TABLE 1 (Continued)
IMPACT OF TRAVEL ON COLORADO COUNTIES, 1980

	Total Travel Expenditures (Thousands)	Travel-Generated Payroll (Thousands)	Travel-Generated Employment (Jobs)	State Tax Receipts (Thousands)	Local Tax Receipts (Thousands)
Gunnison	30,990	6,417	1,034	1,085	482
Hinsdale	7,051	1,373	211	206	111
Huerfano	7,204	1,469	234	247	120
Jackson	1,554	317	51	55	29
Jefferson	100,115	21,256	3,346	3,709	2,127
Kiowa	1,208	259	43	47	9
Kit Carson	8,822	1,865	306	338	66
La Plata	74,639	15,711	2,566	2,725	1,516
Lake	9,806	1,946	307	314	118
Larimer	88,801	18,924	2,923	3,022	1,504
Las Animas	24,205	5,185	858	940	444
Lincoln	5,350	1,133	186	206	98
Logan	17,382	3,722	603	665	213
Mesa	85,733	18,919	2,855	3,068	1,401
Mineral	3,633	720	115	115	52
Moffat	15,138	3,187	522	573	296
Montezuma	17,737	3,758	613	666	292
Montrose	14,545	3,111	505	554	244
Morgan	13,660	2,868	460	498	182
Otero	12,409	2,501	401	442	124
Ouray	7,012	1,458	237	251	110
Park	7,300	1,504	244	258	74
Phillips	1,102	220	34	38	11
Pitkin	139,630	30,028	4,935	5,334	3,969
Prowers	18,549	3,937	647	709	336
Pueblo	20,902	4,533	703	772	479
Rio Blanco	5,315	1,095	176	187	61
Rio Grande	19,115	3,995	649	700	197
Routt	73,817	15,614	2,565	2,755	1,524
Saguache	5,152	1,071	173	186	60
San Juan	4,941	1,039	170	182	94
San Miguel	6,283	1,301	213	226	82
Sedgwick	3,202	644	101	112	50
Summit	72,886	15,521	2,561	2,754	2,049
Teller	6,278	1,241	193	194	67
Washington	535	104	16	18	4
Weld	19,208	4,156	615	641	227
Yuma	2,406	500	81	93	29
State Total[a]	$ 3,347,237	$ 761,831	101,134	$ 104,255	$ 67,094

[a]Details may not add to totals due to rounding.

Source: *The Economic Impact of Travel on Colorado Counties* prepared for the Denver and Colorado Convention and Visitors Bureau by the U.S. Travel Data Center, Washington, D.C., September 1981.

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Colorado Travel and Tourism Statistics, 1980: 1982, 49pp., $25.
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NSAA Economic Analysis of North American Ski Areas (1980-81 Season), 1981, 136pp., $40.

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COLORADO BUSINESS INDICATORS
(Figures in Thousands Unless Otherwise Indicated)

	October 1981	September 1981	October 1980	Percent Change October 1981 from September 1981	Percent Change October 1981 from October 1980
Total Civilian Labor Force (by place of residence)[a]	1,493.6	1,490.0	1,471.5	0.2	1.5
Unemployment	52.3	50.4	51.5	3.8	1.6
Unemployment Rate (percent)	3.5	3.4	3.5	—	—
Employment	1,441.3	1,439.6	1,420.0	0.1	1.5
Nonagricultural Wage and Salary	1,284.3	1,280.6	1,263.4	0.3	1.7
Agricultural	45.1	48.5	45.7	−7.0	−1.3
Self-employed, unpaid family and domestics	111.9	110.5	110.9	1.3	0.9
Total Nonagricultural Wage and Salary Employment (by place of work)[a]	1,283.3	1,278.6	1,262.6	0.4	1.6
Mining	37.7	37.8	35.3	−0.3	6.8
Metallic Minerals	11.0	11.2	11.6	−1.8	−5.2
Bituminous Coal, Lignite and Nonmetallic	5.6	5.7	6.0	−1.8	−6.7
Oil and Gas Extraction	21.2	20.9	17.7	1.4	19.8
Contract Construction	78.0	78.7	79.9	−0.9	−2.4
Manufacturing	186.7	187.1	182.9	−0.2	2.1
Lumber, Wood Products and Furniture	7.6	8.1	7.7	−6.2	−1.3
Stone, Clay, Glass and Concrete Products	11.3	11.5	11.3	−1.7	0.0
Primary and Fabricated Metals	18.7	19.4	19.5	−3.6	−4.1
Machinery, Except Electrical	27.8	27.4	25.0	1.5	11.2
Electric and Electronic Equipment	14.7	14.7	15.1	0.0	−2.6
Transportation Equipment	14.5	14.5	12.3	0.0	17.9
Other Durable Goods	26.5	26.5	26.0	0.0	1.9
Food and Kindred Products	25.1	24.4	26.3	2.9	−4.6
Textiles and Apparel	3.6	3.6	3.5	0.0	2.9
Paper and Allied Products	2.1	2.1	2.1	0.0	0.0
Printing and Publishing	17.1	16.8	16.1	1.8	6.2
Chemicals and Allied Products	7.0	7.0	6.4	0.0	9.4
Other Nondurable Goods	10.7	11.1	11.7	−3.6	−8.5
Finance, Insurance and Real Estate	80.3	80.0	77.2	0.4	4.0
Banking	19.9	19.8	19.5	0.5	2.1
Credit Agencies Other than Banks	13.0	12.9	12.4	0.8	4.8
Insurance Carriers, Agents and Brokers	20.4	20.3	19.9	0.5	2.5
Real Estate and Combination Offices	21.0	21.1	20.4	−0.5	2.9
Other Finance, Insurance and Real Estate	6.1	5.9	5.0	3.4	22.0
Transportation and Public Utilities	83.7	83.5	81.3	0.2	3.0
Railroad Transportation	7.6	7.6	7.6	0.0	0.0
Trucking and Warehousing	17.5	17.5	16.9	0.0	3.6
Air Transportation	13.8	13.8	13.8	0.0	0.0
Other Transportation	6.7	6.7	6.3	0.0	6.3
Communications, Electric, Gas and Sanitary Services	38.1	37.9	36.7	0.5	3.8
Trade	312.6	313.3	305.7	−0.2	2.3
Wholesale Trade	77.2	77.2	75.2	0.0	2.7
Retail Trade	235.4	236.1	230.5	−0.3	2.1
Services	260.5	261.8	254.4	−0.5	2.4
Lodging and Combination Lodging/Eating Places	24.2	25.0	23.2	−3.2	4.3
Personal Services	12.9	12.8	12.7	0.8	1.6
Business Services	47.5	47.6	47.1	−0.2	0.9
Auto and Miscellaneous Repair Services	14.7	14.6	14.0	0.7	5.0
Amusements and Recreation	13.5	14.6	13.6	−7.5	−0.7
Health Services	66.9	66.9	65.5	0.0	2.1
Educational Services	9.8	8.9	9.8	10.1	0.0
Membership Organizations	20.2	20.5	20.6	−1.5	−1.9
Other Services	50.8	50.9	48.0	−0.2	5.8
Government	243.8	236.5	245.9	3.1	−0.9
Federal	50.5	50.6	51.8	−0.2	−2.5
State	60.0	56.2	60.7	6.8	−1.2
Local	133.2	129.7	133.4	2.7	−0.1

	October 1981	September 1981	October 1980	Percent Change October 1981 from September 1981	Percent Change October 1981 from October 1980
Average Weekly Hours					
Construction	36.5	36.0	37.7	1.4	−3.2
Manufacturing	39.4	39.6	39.3	−0.5	0.3
Nondurable Goods	38.6	38.5	39.2	0.3	−53.1
Durable Goods	39.9	40.2	39.4	−0.7	1.3
Average Weekly Earnings ($)					
Construction	434.35	423.00	407.91	2.7	6.5
Manufacturing	325.44	328.28	304.57	−0.9	6.9
Nondurable Goods	304.17	303.76	290.86	0.1	4.6
Durable Goods	339.15	342.91	313.62	−1.1	8.1
Initial Unemployment Claims (000)	13.8	11.3	15.1	22.1	−8.6
Bankruptcies, All Types (number)	460	489	638	−5.9	−27.9
Total State Revenue ($000)	316,324	421,821	288,121	−25.0	9.8
Total State Expenditures ($000)	340,898	350,973	288,730	−2.9	18.1
Crude Oil Production (thous. bbls.)	2,572	2,464r	2,511r	4.4	2.4
Dry Gas Production (mil. cu. ft.)	11,866	11,113r	11,797r	6.8	0.6
Coal Production (thous. tons)	1,670.3	1,771.3	1,711.8r	−5.7	−2.4
New Oil and Gas Wells (number)	234	201	213	16.4	9.9
Natural Gas Used (bil. cu. ft.)	14.3	8.7	17.2	64.4	−16.9
Electrical Power Sales (mil. kwh)					
Residential	436.7	450.1	418.4r	−3.0	4.4
Nonresidential	1,024.9	1,136.9	1,011.9r	−9.9	1.3
New Construction, 50 cities					
Residential permits (number)	783*	721	1,179	8.6	−33.6
Residential value ($000)	39,028*	53,565	69,372	−27.1	−43.7
Nonresidential permits (number)	139*	128	168	8.6	−17.3
Nonresidential value ($000)	82,922*	160,040	88,740	−48.2	−6.6
Highway Contractor Payments ($000)	n.r.	14,681	18,192	—	—
Ordinary Life Insurance Sales ($000)	661,881	663,103	647,148r	−0.2	2.3
Bank Deposits, 118 cities, 248 of 323 banks					
Total Deposits ($000,000)	12,700*	12,772*	11,840	−0.6	7.3
Savings and Loan Net New Savings ($000)	51,000	91,400	84,400r	−44.2	−39.6
National Park Visits—9 Areas (000)	429.5	807.2r	439.1r	−46.8	−2.2
Motor Vehicle Title Applications (000)	97.4	87.4	100.7	11.4	−3.3
Highway Vehicle Traffic Counts at Border Stations (daily average)	37,776	43,186	36,832	−12.5	2.6
Air Passengers, Stapleton (000)[b]	1,836	1,846	1,686r	−0.5	8.9
Air Freight and Air Express, Stapleton (thous. lbs.)	28,324	28,463	26,694	−0.5	6.1
Prices Received by Farmers ($)					
Beef Cattle (per cwt)	60.20	63.20	66.10	−4.7	−8.9
Lambs (per cwt)	51.30	50.60	67.30	1.4	−23.8
Wheat (per bu.)	3.62	3.54	3.90	2.3	−7.2
Corn (per bu.)	2.59	3.12	2.90	−17.0	−10.7
Potatoes (per cwt)	4.10	5.00	4.40	−18.0	−6.8
Wool (per lb.)	.88	91	.78	−3.3	12.8

NOTES: An asterisk (*) indicates preliminary data subject to revision. Revised data are marked (r).
n.r.—not reported.

[a]Employment figures have been updated to a March 1980 benchmark and are arranged by 1972 Standard Industrial Classifications (SIC). Previously reported data were on a March 1979 benchmark. Thus, these data are not comparable to that published prior.

[b]Includes scheduled airlines, commuter airlines and charter passengers.

Employment, Hours, and Earnings data from Colorado Department of Labor and Employment.

Bankruptcies from the Office of the Federal Referee in Bankruptcy.

State Revenue and Expenditures from the State Controller's Office.

Crude Oil Production, Dry Gas Production and New Oil and Gas Wells from the Oil and Gas Conservation Commission.

Coal Production from Colorado State Coal Mine Inspection Department.

Natural Gas Used from Colorado Interstate Gas Company.

Electrical Power Sales from individual companies.

New Construction from individual cities.

Highway Contractor Payments from the Colorado Highway Department.

Life Insurance Sales from the Life Insurance Marketing and Research Association, Inc.

Bank Deposits from individual banks.

Savings and Loan Net New Savings from Federal Home Loan Bank of Topeka.

National Park Visits from individual areas.

Highway Traffic counts from Colorado Highway Department.

Air Passengers, Freight, and Express from Stapleton International Airport Business Office.

Prices Received by Farmers from U.S. Department of Agriculture.

LOCAL BUSINESS CONDITIONS
(All Figures in Thousands)

	Oct. 1981	Sept. 1981	Oct. 1980
ALAMOSA (1980 pop. 6,830)			
Electric Power (kwh)	3,033	2,878	3,062
Constr. ($)—Res.	162	118	60
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	47,837	46,528r	47,035
ARVADA (1980 pop. 84,576)			
Electric Power (kwh)	21,164	28,478	25,122
Constr. ($)—Res.	1,086	1,046	1,495
—Nonres.	0	395	461
Deposits ($) (3 of 6 banks)	74,848	76,177	72,823
ASPEN (1980 pop. 3,678)			
Electric Power (kwh)	3,264	3,462	3,691
Constr. ($)—Res.	1,071	288	725
—Nonres.	0	603	140
Deposits ($) (1 of 3 banks)	34,524	37,021	40,238
AURORA (1980 pop. 158,588)			
Electric Power (kwh)	72,979	78,780	69,759
Constr. ($)—Res.	9,587	9,384	15,007
—Nonres.	3,689	4,221	3,878
Deposits ($) (4 of 10 banks)	131,815	134,965	112,950
BOULDER (1980 pop. 76,685)			
Electric Power (kwh)	54,975	47,485	46,330
Constr. ($)—Res.	706	1,159	1,377
—Nonres.	2,246	1,000	1,305
Deposits ($) (7 of 8 banks)	410,800	415,867	398,261
BRIGHTON (1980 pop. 12,773)			
Electric Power (kwh)	4,401	4,733	4,387
Constr. ($)—Res.	539	493	1,173
—Nonres.	115	37	0
Deposits ($) (2 of 2 banks)	50,001	53,444	45,750
BROOMFIELD (1980 pop. 20,730)			
Electric Power (kwh)	13,109	6,646	8,792
Constr. ($)—Res.	0	231	463
—Nonres.	362	1,500	1,589
Deposits ($) (2 of 2 banks)	45,674	44,009	41,457
BRUSH (1980 pop. 4,082)[a]			
Electric Power (kwh)	1,863	2,005	1,902
Deposits ($) (2 of 2 banks)	45,932	47,209	51,643
CANON CITY (1980 pop. 13,037)			
Electric Power (kwh)	n.a.	24,080	22,346
Constr. ($)—Res.	30	250	86
—Nonres.	119	0	25
Deposits ($) (3 of 3 banks)	93,054	93,081	82,480
COLORADO SPRINGS (1980 pop. 215,150)			
Electric Power (kwh)	159,163	151,353	151,254
Constr. ($)—Res.[b]	11,091	11,290	13,939
—Nonres.	10,008	10,328	8,335
Deposits ($) (15 of 18 banks)	821,685	828,354	781,656
COMMERCE CITY (1980 pop. 16,234)			
Electric Power (kwh)	18,240	25,439	20,948
Constr. ($)—Res.	94	214	111
—Nonres.	915	790	545
Deposits ($) (1 of 1 banks)	25,797	24,892	25,705
CORTEZ (1980 pop. 7,095)			
Electric Power (kwh)	3,138	3,553	3,043
Constr. ($)—Res.	0	60	391
—Nonres.	38	43	0
Deposits ($) (2 of 3 banks)	49,581	49,263	49,663
CRAIG (1980 pop. 8,133)			
Electric Power (kwh)	4,900	4,941	4,414
Constr. ($)—Res.	74	0	1,624
—Nonres.	30	0	49
Deposits ($) (2 of 2 banks)	69,193	71,975	58,463
DENVER (1980 pop. 491,396)			
Electric Power (kwh)	324,415	337,589	322,568
Constr. ($)—Res.	4,511	13,356	13,019
—Nonres.	16,493	105,875	50,994
Deposits ($) (31 of 35 banks)	5,755,189	5,798,046	5,306,699
DURANGO (1980 pop. 11,426)			
Electric Power (kwh)	6,400	5,287	6,270
Constr. ($)—Res.	0	32	170
—Nonres.	0	498	0
Deposits ($) (3 of 3 banks)	106,481	108,471	96,435
ENGLEWOOD (1980 pop. 30,021)			
Electric Power (kwh)	19,660	19,872	19,004
Constr. ($)—Res.	500	5	77
—Nonres.	197	466	417
Deposits ($) (5 of 8 banks)	312,595	317,744	292,528
ESTES PARK (1980 pop. 2,703)			
Electric Power (kwh)	3,813	4,618	3,647
Constr. ($)—Res.	0	104	273
—Nonres.	0	88	0
Deposits ($) (2 of 2 banks)	34,032	35,153	31,471
FORT COLLINS (1980 pop. 64,632)			
Electric Power (kwh)	39,791	37,386	37,811
Constr. ($)—Res.	1,463	521	3,219
—Nonres.	210	0	1,899
Deposits ($) (8 of 8 banks)	349,178	353,228	340,009
FORT MORGAN (1980 pop. 8,768)			
Electric Power (kwh)	6,183	6,734	6,635
Constr. ($)—Res.	54	26	89
—Nonres.	0	40	625
Deposits ($) (2 of 2 banks)	82,933	81,289	78,067
GLENWOOD SPRINGS (1980 pop. 4,637)			
Electric Power (kwh)	4,349	4,130	4,058
Constr. ($)—Res.	136	243	118
—Nonres.	0	0	170
Deposits ($) (2 of 3 banks)	105,760	105,025	90,251
GOLDEN (1980 pop. 12,237)			
Electric Power (kwh)	5,508	6,055	5,420
Constr. ($)—Res.	0	0	56
—Nonres.	0	366	0
Deposits ($) (2 of 3 banks)	114,343	114,503	106,150
GRAND JUNCTION (1980 pop. 28,144)			
Electric Power (kwh)	17,669	20,012	16,586
Constr. ($)—Res.	845	1,449	2,108
—Nonres.	12,758	1,427	4,137
Deposits ($) (5 of 5 banks)	333,498	338,010	296,725
GREELEY (1980 pop. 53,006)			
Electric Power (kwh)	20,088	23,425	21,079
Constr. ($)—Res.	368	825	1,344
—Nonres.	1,536	2,722	47
Deposits ($) (7 of 8 banks)	376,849	399,543	357,192
GUNNISON (1980 pop. 5,785)			
Electric Power (kwh)	3,345	2,935	3,586
Constr. ($)—Res.	22	0	334
—Nonres.	1,136	0	0
Deposits ($) (2 of 2 banks)	43,996	43,555	42,358

Business Research Division
Graduate School
of Business Administration
Campus Box 420
University of Colorado
Boulder, Colorado 80309

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LOCAL BUSINESS CONDITIONS—Continued

	Oct. 1981	Sept. 1981	Oct. 1980
LA JUNTA (1980 pop. 8,338)			
Electric Power (kwh)	4,348	4,644	4,645
Constr. ($)—Res.	0	64	89
—Nonres.	0	105	0
Deposits ($) (2 of 2 banks)	43,538	45,009	41,635
LAKEWOOD (1980 pop. 112,848)			
Electric Power (kwh)	52,753	55,058	52,972
Constr. ($)—Res.	2,643	6,724	1,734
—Nonres.	7,411	18,213	2,834
Deposits ($) (6 of 8 banks)	386,039	381,082	371,442
LAMAR (1980 pop. 7,713)			
Electric Power (kwh)	7,693	6,976	5,770
Constr. ($)—Res.	125	0	73
—Nonres.	233	36	50
Deposits ($) (2 of 2 banks)	58,645	57,078	53,642
LITTLETON (1980 pop. 28,631)			
Electric Power (kwh)	17,846	17,383	14,832
Constr. ($)—Res.	n.r.	n.r.	1,614
—Nonres.	n.r.	n.r.	131
Deposits ($) (3 of 4 banks)	152,972	153,273	151,271
LONGMONT (1980 pop. 42,942)			
Electric Power (kwh)	18,604	19,363	20,174
Constr. ($)—Res.	746	413	1,090
—Nonres.	14,000	110	1,260
Deposits ($) (5 of 5 banks)	165,330	162,587	154,646
LOVELAND (1980 pop. 30,244)			
Electric Power (kwh)	17,572	19,445	17,017
Constr. ($)—Res.	168	128	421
—Nonres.	65	65	714
Deposits ($) (4 of 4 banks)	121,090	115,719	118,015
MANITOU SPRINGS (1980 pop. 4,475)[c]			
Electric Power (kwh)	1,283	1,384	1,175
Deposits ($) (1 of 1 banks)	10,426	11,092	11,039
MONTROSE (1980 pop. 8,722)[d]			
Constr. ($)—Res.	32	337	425
—Nonres.	0	3,244	0
Deposits ($) (2 of 3 banks)	87,546	89,513	76,924
NORTHGLENN (1980 pop. 29,847)			
Electric Power (kwh)	10,517	11,097	10,112
Constr. ($)—Res.	94	568	616
—Nonres.	4	8	2,365
Deposits ($) (2 of 2 banks)	62,684	53,848	49,922
PUEBLO (1980 pop. 101,686)			
Electric Power (kwh)	47,009	51,160	58,579
Constr. ($)—Res.	1,288	832	312
—Nonres.	797	115	496
Deposits ($) (8 of 10 banks)	338,336	336,481	327,688
ROCKY FORD (1980 pop. 4,804)			
Electric Power (kwh)	5,433	5,771	5,292
Constr. ($)—Res.	0	0	0
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	18,718	18,936	17,324
SALIDA (1980 pop. 4,870)			
Electric Power (kwh)	1,662	1,598	1,462
Constr. ($)—Res.	49	0	0
—Nonres.	0	52	0
Deposits ($) (2 of 2 banks)	38,627	39,279	34,494
STERLING (1980 pop. 11,385)			
Electric Power (kwh)	4,902	6,223	5,684
Constr. ($)—Res.	50	100	73
—Nonres.	0	0	0
Deposits ($) (3 of 3 banks)	126,178	123,846	120,433
THORNTON (1980 pop. 40,343)			
Electric Power (kwh)	14,499	15,784	14,004
Constr. ($)—Res.	1,021	1,220	1,174
—Nonres.	123	2,021	5,374
Deposits ($) (1 of 1 bank)	21,076	20,540	21,285
TRINIDAD (1980 pop. 9,663)			
Electric Power (kwh)	2,577	2,911	2,747
Constr. ($)—Res.	0	62	162
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	51,801	50,999	43,967
WALSENBURG (1980 pop. 3,945)			
Electric Power (kwh)	1,762	1,152	1,070r
Constr. ($)—Res.	0	0	40
—Nonres.	0	30	0
Deposits ($) (1 of 1 bank)	19,520	19,701	18,092
WESTMINSTER (1980 pop. 50,211)			
Electric Power (kwh)	18,522	20,581	18,748
Constr. ($)—Res.	40	1,411	3,485
—Nonres.	7,528	0	0
Deposits ($) (2 of 2 banks)	76,445	81,801	72,554
WHEAT RIDGE (1980 pop. 30,293)			
Electric Power (kwh)	22,368	22,158	20,667
Constr. ($)—Res.	0	117	0
Constr. ($)—Nonres.	773	5,431	427
Deposits ($) (2 of 2 banks)	62,334	60,412	57,833

[a]Construction figures are not available.
[b]Regional figures.
[c]Included in Colorado Springs regional construction figures.
[d]Electric Power consumption figures are not available.

NOTES: Population figures are 1980 census counts.
Construction figures are valuation of new residential and nonresidential construction only.
Deposit figures are total deposits in commercial banks as of last day of month.
n.r.—not reported
•—preliminary data
r—revised data.
n.a.—not available.